

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. A. H. Belmont *ansu*

DATE: June 4, 1959

FROM : Mr. F. J. Baumgardner *FB*

1 - Mr. Belmont
 1 - Mr. Baumgardner
 1 - Mr. Donohue
 1 - Mr. Decker

Tolson _____
 Belmont _____
 Mohr _____
 Nease _____
 Parsons _____
 Rosen _____
 Tamm _____
 Trotter _____
 Tele. Room _____
 Holloman _____
 Gandy _____

SUBJECT: SOLO

INTERNAL SECURITY - C

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 7-24-00 BY SP4BJA-MUB

#906318

DeLoach *[initials]*
 McGuire *[initials]*
 C. Sullivan

Captioned matter pertains to liaison activities of CG 5824-S between the CPUSA and the Soviet Union (SU). While in Russia Summer of 1958 CG 5824-S was promised \$200,000 for the CPUSA for 1958. During informant's recent trip to Russia in connection with the 21st Congress, CPSU, informant was advised the Soviets would furnish the CPUSA \$250,000 of which \$100,000 was stated to be the balance for 1958 while the remaining \$150,000 was to be for 1959 up to the time of the CPUSA National Convention November, 1959.

During the period from 9-8-58 to 5-26-59 the CPUSA received a total of \$175,000 from Soviet Russia. \$125,000 of this total was obtained by our informants, CG 5824-S and NY 694-S, from Tim Buck, head of the Labor Progressive Party (CP of Canada) who obtained this money from the Soviet Embassy in Ottawa, Canada. The remaining \$50,000 was received by NY 694-S from Vladimir Barkovsky, counselor of Soviet United Nations Delegation on 4-23-59.

From 9-8-58 through 5-59 \$69,700 has been disbursed by informants from this fund leaving a cash balance of \$105,300. Concerning this balance \$62,600 is presently maintained by CG 5824-S in a safe-deposit box, American National Bank and Trust Company, Chicago, Illinois, and \$42,700 is maintained by NY 694-S in a safe-deposit box at Amalgamated Bank, New York City.

The following schedules show in detail the receipt and disbursements of funds received from the Soviets to date:

RECEIPTS

Date	Source of Funds	Informant Rec'g	Amount
9-8-58	Russian Embassy, Ottawa, Canada	NY 694-S	\$12,000
9-19-58	" "	"	15,000
9-23-58	" "	CG 5824-S	12,000
9-24-58	" "	"	5,000
10-17-58	" "	"	6,000
12-23-58	" "	NY 694-S	25,000
4-23-59	Vladimir Barkovsky Soviet United Nations Delegation	"	50,000
5-21-59	Russian Embassy, Ottawa, Canada	"	41,000

CG 5824-S JUN 17 1959 9,000

AJD:ssh
 (5) ssh

JUN 18 1959

REC-10

EX-

[Handwritten signatures and initials]
 5-10-59

Memorandum for Mr. Belmont
RE: SOLO

TOTAL FUNDS RECEIVED - \$175,000

/// ///

DISBURSEMENTS

Date	Informant Disbursing	Recipient	Amount
10-11-58	NY 694-S	Eugene Dennis	\$10,000
10-22-58	CG 5824-S	Claude Lightfoot	2,000
11-24-58	NY 694-S	Eugene Dennis (National Secretary CPUSA)	6,000
12-7-58	CG 5824-S	" "	5,000
1-5-59	"	Claude Lightfoot (Chairman, Illinois District CP)	2,000
1-14-59	NY 694-S	Eugene Dennis	6,000
3-6-59	NY 694-S	" "	10,000
4-20-59	"	Robert Thompson (Executive Secretary, CPUSA)	3,000
4-22-59	CG 5824-S	Claude Lightfoot	1,000
5-1-59	NY 694-S	Isadore Wofsy (Head CPUSA Reserve Fund)	2,800
5-15-59	"	Eugene Dennis	10,000
5-28-59	"	" "	10,000
9-8-58 to date	NY 694-S	Tim Buck (Expenses)	1,500
9-8-58 to date	CG 5824-S	Tim Buck "	400
Total Disbursements -			\$69,700
Cash on Hand - - - -			105,300

TOTAL ACCOUNTED FOR - \$175,000

Concerning the funds received by Eugene Dennis, we are aware that at least \$17,500 was used by Dennis to finance the publication of "The Worker." \$1,000 was furnished to the Southern Regional Committee for CP

Memorandum for Mr. Belmont
RE: SOLO

work in the South, an additional \$7,500 was given to Isadore Wofsy for the National Reserve Fund and \$2,000 was used to pay back salaries of full-time functionaries of the National Office, CPUSA. It is believed that the additional funds received by Dennis not accounted for herein were utilized by him in financing the day-to-day operations of the National Office, CPUSA, and in giving further support to the publication of "The Worker."

The \$5,000 furnished to Claude Lightfoot was for the purpose of increasing the organizational activity of the Illinois District CPUSA and for the purpose of adding a second full-time paid organizer to this District.

ACTION:

None. This is submitted for your information.

[Handwritten signatures and initials]

Office Memorandum • UNITED STATES GOVERNMENT

TO :

DIRECTOR, FBI (100-428091)

DATE: 6/11/59

FROM :

SAC, NEW YORK (100-134637)(415)

SUBJECT:

SOLO
IS-C

Re Chicago letter to the Bureau, 6/2/59.

There are enclosed herewith for the Chicago Office six photographs of MIKHAIL A. KHARLAMOV. The dates when these photographs were taken are not known, but it is believed that they were taken between 1955 and 1958.

The following is a description of KHARLAMOV:

Name	MIKHAIL AVERKIEVICH KHARLAMOV
Nationality	Russian
Race	White
Date of Birth	November 7, 1913
Place of Birth	Minsk, Russia
Height	5'4 3/4"
Hair	Brown
Eyes	Gray
Peculiarities	Crippled in right leg; walks with a limp.

- 2 - Bureau (100-428091)(RM)
 1 - Chicago (134-46 Sub B)(SOLO)(Encl. 6)(RM)
 1 - NY 134-91 (Inv)(415)
 1 - NY 100-134637 (415)

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 7-24-00 BY SP4BJA-AUP

906318

REC-23

100 428091-318

ACB:mfd
(5)

EX

JUN 24 1959

55 JUN 22 1959

OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-3-102)

FROM : SAC, NEW YORK (100-128861) (415)

SUBJECT: CP, USA - FUNDS (RESERVE FUNDS)
IS - C

DATE: 6/8/59

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

On 6/2/59, NY 694-S* advised SA ALEXANDER C. BURLINSON that in a conversation on 6/1/59 with ISIDORE WOFSY, the latter told him the following: *(u)*

Bids up to \$325,000.00 for the purchase of the building at 35 East 12 Street have been received. As many bids as possible will be received, and the highest will be accepted. CHARLES KELNER, who desires to buy the building, will be told that he may purchase the building at a price equal to the highest bid, provided payment be guaranteed. *(u)*

WOFSY stated that during the past few weeks he had been given \$14,000.00 by EUGENE DENNIS, and that this money had been "a life-saver." The money, he said, was not for the Reserve Fund, but rather was to be given, as needed, to PHIL BART for the

(u) 4 - Bureau

2 - Chicago

1 - NY 134-91
1 - NY 100-134637
1 - NY 100-128314
1 - NY 100-70303
1 - NY 100-64424
1 - NY 100-56579
1 - NY 100-19679
1 - NY 100-8057
1 - NY 100-23825
1 - NY 100-129629
1 - NY 100-84275
1 - NY 100-
1 - NY 100-86624
1 - NY 97-169
1 - NY 100-128861

(100-3-102) (RM)
(100-428091) (SOLO)
(1-100-3-81) (CPUSA - INTERNATIONAL RELATIONS)
(134-46-Sub I) (SOLO) (INFO) (RM)
(1-134-46) (CG 5824-S)
(INV) (415)
(SOLO) (415)
(CPUSA - NYD - FUNDS) (416)
(TWELFTH-THIRTEENTH REALTY CORP.) (41)
(CHARLES KELNER) (424)
(PHIL BART) (422)
(ISIDORE WOFSY) (415)
(EUGENE DENNIS) (415)
(BENJAMIN J. DAVIS) (416)
(WILLIAM ALBERTSON) (416)
(WILLIAM PATTERSON) (415)
(MILTON FRIEDMAN) (33)
(CPUSA - INTERNATIONAL RELATIONS) (415)
(PUBLISHER'S NEW PRESS) (415)
(415)

Classified by 8972 JOK/6mm
Declassify on: OADR
10-17-84
acc to alt. release

ACB:msb
(21)

03 JUN 23 1959

~~SECRET~~

NOT RECORDED
1. JUN 10 1959

DECLASSIFIED BY SP7 d/jt
ON 5-16-95 # 272640

ORIGINAL FILED IN 100-3-102-1100

~~SECRET~~

NY 100-128861

payment of National Office expenses. WOFSY stated he did not know where DENNIS had obtained this money, and expressed the opinion that it might have come in "quietly" from the CP fund drive. (NY 694-S* stated that he did not think WOFSY actually believes the money came from the fund drive since the latter must be aware that the fund drive is a failure.) (S) (u)

NY 694-S* stated that the \$14,000.00 is undoubtedly part of the funds described in the case entitled "SOLO, IS - C." The informant noted that in accordance with DENNIS' method of distributing the "SOLO, IS - C" funds, neither WOFSY, PHIL BART, nor any other CP functionary knows whence money they receive from DENNIS is coming. (S) (u)

WOFSY further remarked that PHIL BART is clashing with the NY State CP regarding "the split" of money received from the fund drive and donors by the NY State CP. BART and DENNIS would like a fifty-fifty "split," but in WOFSY's opinion, the NY State CP would never agree to such an arrangement. WOFSY believes the National Office could obtain--and should accept, since it cannot hope to obtain more--40 per cent as its "split." (S) (u)

WOFSY also stated that the NY State CP finally has negotiated a settlement of its debt of \$23,000.00 by a payment to the National Office of \$6,000.00. (S) (u)

WOFSY expressed the opinion that in view of the fact that dues payments to the NY State CP are negligible, the said state organization must have a large reserve fund "somewhere," and that both WILLIAM ALBERTSON and BENJAMIN DAVIS, JR., must have knowledge of this fund. He also thought EUGENE DENNIS might know something of such a fund. (S) (u)

According to WOFSY, WILLIAM PATTERSON was recently "called in by the top brass" and told "to lay off his business enterprises." As a result of PATTERSON's "pushing at the embassies" and "MILTON FRIEDMAN's going to Hungary," they obtained "a \$15,000.00 retainer from Hungary." From this money, FRIEDMAN paid himself \$5,000.00 in legal fees. The Party believes PATTERSON "took a chunk for himself," and may have given some to "The Worker" (S) (u)

The Party feels that this situation may result in a scandal, and has assigned PHIL BART to investigate the matter. WOFSY believes that BART, MORRIS CHILDS of Chicago, and he should confer regarding this situation. (S) (u)

~~SECRET~~

1 - Mr. Belmont
1 - Mr. Baumgardner
1 - Mr. Donohue
1 - Mr. Decker
1 - Mr. Bartlett
June 17, 1959

SAC, New York (100-134637)

NEW YORK (100-134637) 319

EX

SOLO
INTERNAL SECURITY - C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 7-24-00 BY 64163A-MUB
#906314

Reurlet 5-19-59 and Chicago letter 6-2-59.

The observations set forth in the above referenced communications clearly indicated the desirability at this time of having NY 694-S* obtain a current and valid passport under his true name. The observations set forth in referenced Chicago letter by CG 5824-S* reveal a definite possibility that NY 694-S* could receive a courier assignment from the Communist Party (CP), USA, in the event he possessed a current passport and, therefore, be in a position to accept the assignment on a moment's notice. In addition, it is pertinent to note that NY 694-S* has worked closely with CG 5824-S* in connection with the Solo operation and the obtaining of funds from the Soviet Union and would be Eugene Dennis' logical choice as alternate in the event CG 5824-S* is unable to carry out an assigned mission because of his health or other reasons.

The Bureau through its source at the Passport Office of Department of State has made suitable arrangements to insure that NY 694-S* will be able to obtain a passport under his true identity without any risk to the informant. It is suggested that you advise NY 694-S* that the Bureau believes that it would be definitely desirable for him to obtain a current passport in the immediate future. If this meets with informant's continuing concurrence, he should apply for a passport in New York City under his true identity. The Bureau should be kept fully apprised of developments in this matter and should be immediately advised of the date that the informant makes his application.

2 - Chicago (104-46-Sub B)

NOTE ON YELLOW:

See memo dated 6-16-59, same caption, OHB:AJD/med.

AJD:med
(10)

JUN 17 1959

COMM-FBI

Tolson
Belmont
DeLoach
McGuire
Mohr
Rosen
Sullivan
Trotter
Tele. Room
Holmes
Gandy

JUN 22 1959

TELETYPE UNIT

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. A. H. BELMONT *aw*

DATE: June 16, 1959

FROM : MR. F. J. BAUMGARDNER *MB*SUBJECT: SOLO
INTERNAL SECURITY - C

Tolson	_____
Belmont	_____
Mohr	_____
Nease	_____
Parsons	_____
Rosen	_____
Tamm	_____
Trotter	_____
W.C. Sullivan	_____
Tele. Room	_____
Holloman	_____
Gandy	_____

Reference is made to my memorandum to you dated 6-5-59 (attached) in the above-captioned matter. Referenced memorandum discussed the possibility of having NY 694-S*, one of our top informants, obtain a valid and current passport so that he would be in a position to accept a courier assignment without delay for travel abroad for the Communist Party (CP), USA.

My memorandum recommended that Liaison Section check with the Passport Office of the Department of State to determine the present status of the John William Fox file, it being noted that informant obtained Passport Number 521459 on 6-11-32 fraudulently under this name, and to ascertain exact obstacles to overcome to obtain a passport for NY 694-S*. The Director noted, "O.K. H."

Mr. Bartlett of the Liaison Section requested Mr. Robert Johnson of the Passport Office to pull the Fox file so that it could be reviewed. The request was made on 6-10-59 and inasmuch as this old file was in dead storage, it was not available for review until 6-16-59. A review of the Fox file disclosed a "refusal memorandum" dated 3-19-40 bearing the following comment: "Refer any application for passport facilities to the Fraud Section. Records of World Tourist, Inc., show that this person's transportation was charged to the account of the CP." The file also shows a handwritten memorandum disclosing that Fox is also known as Jack Childs, the informant's true name. Without being requested, Mr. Johnson, who has been extremely cooperative with the Bureau in the past, said that he would insert a piece of paper on the top of the file requesting that the file be referred immediately to him in the event the file shows up in connection with a passport application. Mr. Johnson advised that if this happens, he will immediately get in touch with Mr. Bartlett of the Liaison Section.

OBSERVATIONS: *aw*ENCLOSURE

It is to be noted that our relations with Mr. Robert Johnson who handles communist passports for the State Department are such that we will be able to obtain a passport for NY 694-S* without any risk to the informant. It should be further noted that through arrangements with Mr. Johnson in

Enclosures
100-428091

- 1 - Mr. Belmont
- 1 - Mr. Baumgardner
- 1 - Mr. Donohue
- 1 - Mr. Decker
- 1 - Mr. Bartlett

OHB:AJD/med *md*
(6)

REQ-23

100-428091-319

JUN 18 1959

EX:
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#906318

#5

Memorandum to Mr. Belmont
RE: SOLO
100-428091

December, 1958, we obtained a passport for CG 5824-S* in connection with his trip to Russia as an official CPUSA delegate to the 21st Congress, CP of the Soviet Union. On this request, Johnson was merely advised that we were interested in seeing that this individual received a passport and there must be no indication in the State Department files that the FBI had an interest in this individual.

It is believed that it will be to our advantage at this time to have NY 694-S* obtain a passport under his true name so that he will be able to take advantage of any future courier assignment inasmuch as he could obtain a passport at this time without jeopardy to himself.

RECOMMENDATION:

1. That New York be advised that the Bureau has made suitable arrangements through the Passport Office at the Department of State to enable NY 694-S* to obtain a passport without jeopardizing his informant status.

2. That the informant apply for his passport at New York City under his true name and address and that the Bureau be immediately advised by New York at the time the informant makes application for his passport so that we will be able to follow it closely with Mr. Johnson at the State Department.

ACTION:

There is attached for your approval an appropriate communication to New York and Chicago in accordance with the above observations and recommendations.

The block contains several handwritten signatures and initials. From left to right, there is a large, stylized signature, a smaller signature, a large letter 'Q', and a signature that appears to be 'Kerpe' with the date '6/17' written below it.

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. A. H. BELMONT

DATE: June 5, 1959

FROM : MR. F. J. BAUMGARDNER

SUBJECT: SOLO
INTERNAL SECURITY - C

Tolson	_____
Belmont	_____
DeLoach	_____
McGuire	_____
Mohr	_____
Parsons	_____
Rosen	_____
Tamm	_____
Trotter	_____
W.C. Sullivan	_____
Tele. Room	_____
Holloman	_____
Gandy	_____

The purpose of this memorandum is to consider the necessity and desirability of having NY 694-S*, one of our top informants, obtain a valid and current passport at this time.

New York and Chicago have recommended by letters dated 5-19-59 and 6-2-59, respectively, that NY 694-S* obtain a current valid passport. NY 694-S* has been utilized by Eugene Dennis, national secretary, Communist Party (CP), USA, for a number of years in courier operations with the Labor Progressive Party (CP of Canada) and more recently in clandestine funds operations. CG 5824-S*, the brother of NY 694-S*, has made two trips to Russia during the past year as the official CPUSA delegate to the CP of the Soviet Union and it is anticipated that CG 5824-S* will make a third trip to Russia and China in August, 1959, as Dennis' representative to present the current CPUSA line. As you are aware, we have obtained outstanding information as a result of each of informant's two earlier trips to Russia.

Chicago notes and the Bureau concurs that the possession of a current valid passport by NY 694-S* would place informant in a position to accept an assignment as a courier to the Soviet Union or some other foreign country at a moment's notice; thus enhancing the possibility of informant being afforded such an assignment. In addition, Chicago notes that if NY 694-S* did possess a passport, this fact would indicate to the CP of the Soviet Union and the CPUSA that the U.S. Government has no particular interest in informant at this time and this would be an added reason for the CPUSA to use informant in courier operations with foreign countries.

CG 5824-S* has reported that Eugene Dennis recently stated that every CP member who could possibly do so should obtain a passport in the event it becomes necessary to travel abroad in the future. Therefore, the obtaining of a passport by NY 694-S* would not place him under Party suspicion. NY 694-S* could explain if necessary that the passport was obtained in connection with Arisco (informant's cover company) inasmuch as Arisco has recently received an inquiry from Switzerland as a result of an advertisement in a trade magazine.

ENCLOSURE

100-428091

1 - Mr. Belmont

1 - Liaison

1 - Mr. Baumgardner

1 - Mr. Donohue

1 - Mr. Decker

AJD:med

(6)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIEDDATE 7-24-00 BY SP4BJA-AUB
#906318

REC- 23

100-428091-319

10 JUN 18 1959

#5

Memorandum to Mr. Belmont

RE: SOLO
100-428091

New Yrk notes that NY 694-S* obtained a fraudulent passport under the name of John William Fox on 6-11-32 for travel to Russia and subsequently without the informant's knowledge, this passport was used by CP functionary Philip Bart. The passport file of John William Fox contains an undated memorandum stating that John William Fox is possibly identical with our informant NY 694-S*. New York believes that if the informant applies for a passport and the passport division of the State Department reviews its indices, the possibility exists of associating our informant with John William Fox.

The matter of a passport for NY 694-S* has been discussed with CG 5824-S* and NY 694-S* by our Chicago and New York Offices and has been discussed by informants between themselves. The informants are in favor of this step as it could potentially increase the value of NY 694-S*'s services to the Bureau.

OBSERVATIONS:

1. It can be expected that the CPUSA will step up its contacts with foreign communist parties and that CG 5824-S* will be unable to handle all courier assignments with communist parties abroad without help. It is certainly to our advantage to have our informant, NY 694-S*, in a position where he will be able to accept a courier assignment on a moment's notice.

2. We should keep in mind the fact that CG 5824-S* is suffering with angina pectoris and his future trips abroad will, of course, depend to a large extent upon the condition of his health. NY 694-S* has worked closely with CG 5824-S* in connection with the Solo operation and the obtaining of funds from the Soviet Union and would be Eugene Dennis' logical choice as an alternate in the event CG 5824-S* is unable to carry out an assigned mission and, of course, if our informant, NY 694-S*, possesses a current valid passport.

3. It will be necessary for NY 694-S* to obtain a passport under his true name inasmuch as Dennis has insisted recently that passports obtained by CP leaders be obtained in their true identity to prevent a violation of the passport laws. It is believed desirable that our liaison Agent with the passport division of the State Department consult with our confidential source in the passport division to determine the current status of the John William Fox passport file and the exact obstacles which we must overcome to assure that NY 694-S* can obtain a passport without jeopardizing his security.

mjc

Memorandum to Mr. Belmont
RE: SOLO
100-428091

*Born 5-4-10 at Galloway WVA
PP#1521459 issued 6-11-32*

RECOMMENDATION:

1. It is recommended that liaison through its confidential source with the passport division of the State Department determine the present status of the John William Fox file, whether the undated memorandum identifying Fox with our informant is presently in this file and the exact obstacles which we must overcome to obtain a passport for NY 694-S*.

4/10 Ruth Johnson, Passport Officer, State pulling file from dead storage. Will take several days

6/16 file resumed. osth.

2. In the event liaison determines that informant can obtain a passport without jeopardizing his security, it is recommended that New York be instructed to advise informant to file the necessary application at New York City under his true identity and that upon receipt of his passport he advise Eugene Dennis of this fact so that Dennis may consider him for future courier assignments with foreign communist parties.

*APD
H.B.*

gt

Ad

✓

OKH

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-428091)

DATE: June 16, 1959

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C*DEAR*

Re Chicago let to the Bureau June 2, 1959, and New York let to the Bureau June 11, 1959, which enclosed to the Chicago Division six photographs of MIKHAIL A. KHARLAMOV and contained a description of KHARLAMOV.

CG 5824-S* orally advised SA JOHN E KEATING on June 15, 1959, that KHARLAMOV is not identical with the unidentified representative of the Secret Service of the Communist Party (CP) of the Soviet Union with whom the informant met in Moscow, Russia. While the full face photograph of KHARLAMOV closely resembles the unknown Russian, the unidentified Russian was several inches taller than 5'4 3/4" and did not walk with a limp.

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DATE 7-24-00 BY SP4 BJA-MLB
#906318

REG-44

100-428091-320

23 JUN 19 1959

- ② - Bureau (RM)
1 - New York (100-134637) (SOLO) (RM)
1 - Chicago

JEK:ldo
(4)

#50A

Amk

55 JUN 22 1959